



Agenda

- 1 Generator Interconnections
- Transmission Service Requests





Generator Interconnection Processes

- Large Generator Interconnection (LGI), > 20 MW
- Small Generator Interconnection (SGI), ≤ 20 MW



Western's Generator Interconnection Studies

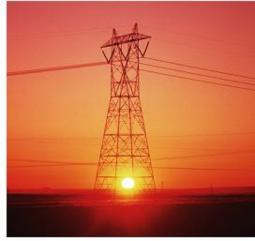
- Interconnection Customer advances the funds for all study costs
- Three studies performed:
 - Feasibility Study
 - System Impact Study
 - Facilities Study





- Feasibility Study Content
 - Evaluates the feasibility of the proposed interconnection
 - Power Flow Study: N-0, N-1, and N-2 on all transmission circuits in the state of Arizona and in Western's System.
 - Short Circuit Study: Run 3-phase and single phase to ground faults at each Western station



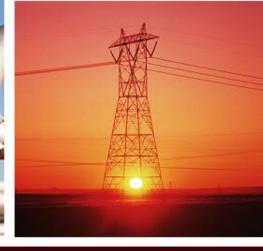


- Feasibility Study Cost & Time
 - \$10,000 deposit and 45 Calendar
 Day study timeline for LGI
 - Western's good faith estimate of cost and 30 Calendar Day study timeline for SGI
 - Can be skipped if Western and customer agree to go straight to System Impact Study.



- System Impact Study Content
 - Evaluation of the proposed interconnection's impact on the reliability of Western's transmission system and any other affected systems
 - Power Flow and Short-Circuit: Same as Feasibility with defined plant model
 - Transient Stability: Run 3-phase bus faults on Western's stations with 5-cycle clearing





- System Impact Study Cost & Time
 - \$50,000 deposit and 90 Calendar Day study timeline for LGI
 - Western's good faith estimate of cost and 45 Calendar Day study timeline for SGI
 - Can be skipped for SGI provided the Feasibility Study was performed and shows no adverse impact.



Facilities Study Content

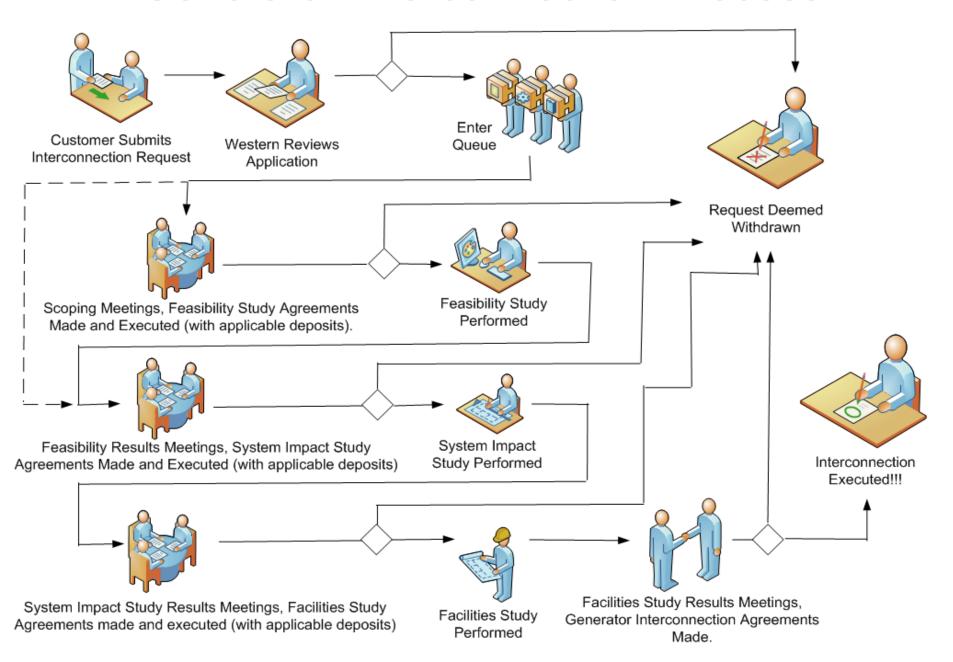
- Determines:

- The facilities and modifications necessary to complete the interconnection – electrical switching configuration, transformer, switchgear, meters, and other equipment
- Cost of facilities
- Time required to interconnect the Generating Facility with Western's transmission system



- Facilities Study Cost & Time
 - \$100,000 deposit for LGI
 - For LGI timeline is either 90 Calendar Days or 180 Calendar Days dependent on accuracy in new facilities cost estimate
 - Western's good faith estimate of cost for SGI and 45 Calendar day study timeline

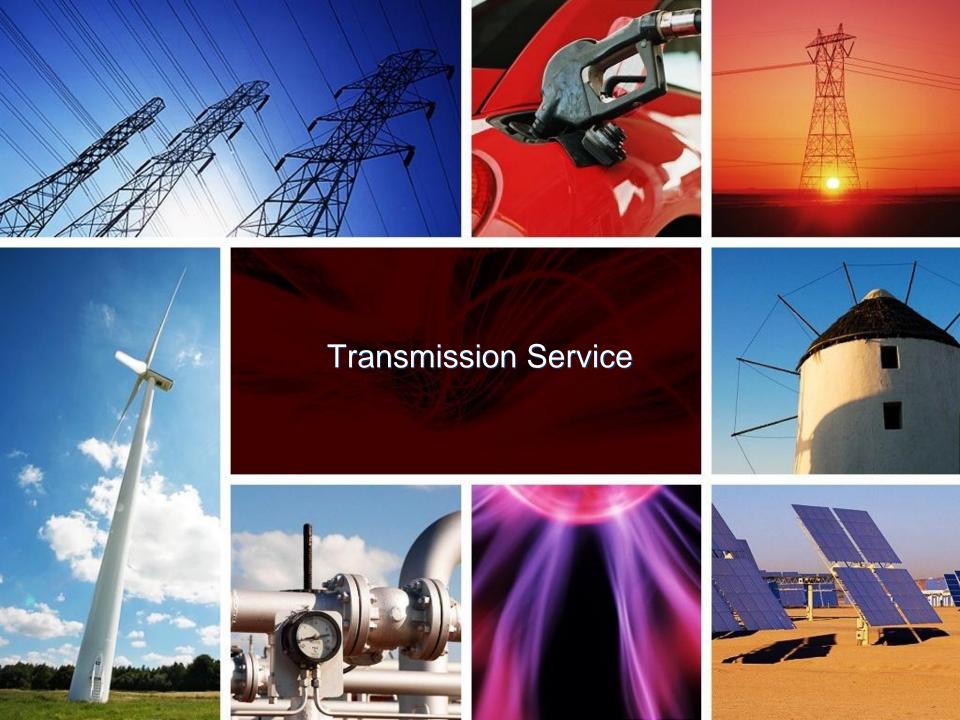
Generator Interconnection Process





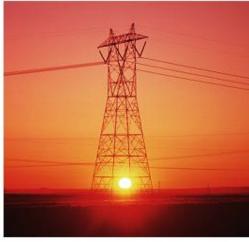
Generator Interconnection – NEPA Review

- A National Environmental Policy Act (NEPA) review process should begin on or shortly after customer elects to proceed with the Facilities Study.
- 10 to 24 months depending on average generator MW output.
- Western manages process but contracted to a third party









Transmission Service

- Interconnection and transmission are separate and distinct services
 - Interconnection does not grant transmission capacity
 - Western cannot require the Interconnection Customer to file a transmission request, but suggests doing so the customer may avoid queuing issues



Transmission Service Types

- Point-to-Point Transmission Service
- Network Integration Transmission Service





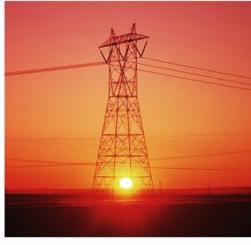


Transmission Request

- Transmission Customer submits application and deposit equal to one month's charge for Reserved Capacity (not to exceed \$100,000)
- Western will perform System Impact Study and Facilities Study unless transmission capacity on requested path is available.







- System Impact Study \$50,000 deposit and 60 Calendar Day study timeline
 - Identify any system constraints
 - Redispatch options to accommodate request
 - Available options for installation of automatic devices to curtail service
 - Direct assignments or network upgrades needed to provide service

18



- System Impact Study Content
 - Power Flow Study: N-0, N-1, and N-2 on all transmission circuits in the state of Arizona and in Western's System.
 - Short Circuit Study: Run 3-phase and single phase to ground faults at each Western station
 - Transient Stability: Run 3-phase bus faults on Western's stations with 5-cycle clearing



- Facilities Study -\$100,000 deposit and 60 Calendar Day study timeline
 - Estimate cost of direct assignment facilities to be charged to customer
 - Customer's share of costs for Network upgrades
 - Time required to complete construction and initiate request

Transmission Services Request -Customer Request-Request Received by Application is satisfactory Western and Reviewed per OATT requirements Request \$3,500.00 Non-refundable fee Request \$100,000 Deposit Request returned for additional information Application deemed complete! System Impact Study Phase Perform SIS System Impact Study SIS Agreement SIS Agreement Complete Executed No System System Addition Addition Required Required Legal Guidance Offer Transmission Legal Guidance Services Agreement Offer Facility Study Agreement **Facility Study** Phase Transmission Services Facility Study Agreement Executed Agreement Executed Execute Construction & Perform Facility Study Services Agreement

